

Although the present invention has been described with reference to certain preferred embodiments, various modifications, alterations, and substitutions will be known or obvious to those skilled in the art without departing from the spirit and scope of the invention, as defined by the appended claims.

We claim:

1. A method for a card issuer to sell merchandise to a customer using a merchandise card, comprising the following steps:

using a remote terminal to activate and issue a card to a customer with an individual account identifier;

said customer enters cash value into a remote terminal operated by the card issuer to purchase a percentage of the merchant's inventory using a proxy method;

the card issuer completes the proxy sale by calculating and reporting the average historical costs associated with the sale of the merchant's inventory;

and at the time of debiting from the merchandise account, said purchased proxy merchandise may be exchanged for other merchandise from the merchant's inventory;

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